



**MHEC**

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**MARYLAND HIGHER EDUCATION COMMISSION  
COMMUNITY COLLEGE CAPITAL GRANT PROGRAM  
BUDGET HEARING**

**House Appropriation Subcommittee On Education and Economic Development**

**March 25, 2004**

**Maryland Higher Education Commission's response to recommended actions**

The Commission concurs with the analyst's recommended action.

**Maryland Higher Education Commission's comments to issues raised in the  
Department of Legislative Services Analysis**

1. MHEC should comment on how the community colleges plan to use this additional funding, and whether they have developed capital improvement plans to take advantage of the additional State contributions.

The fiscal 2005 community college capital budget of \$44,150,000 (29 projects) represents the maximum State contribution for any given year, improving the ability of community colleges to meet their expanding capital needs. Twelve of the twenty-nine projects are scheduled for additional funding in fiscal 2006 and eight are scheduled for final funding in fiscal 2007.

The fiscal 2005 CIP reflects out-year capital needs based on projects scheduled within each community college's facilities master plan. As listed in the fiscal 2005 CIP, the projected capital funding requirements for fiscal 2006, fiscal 2007, and fiscal 2008 are \$62 million, \$71 million, and \$97 million respectively. Projections take into consideration such factors as project scheduling, enrollment demands, space requirements and local funding support. Although out-year projections become significantly altered during the year in which they are considered for budget, the latest community college capital funding projections still exceed the additional State contributions, resulting in a projected shortfall in funding. The increased State contribution of \$36.7 million, however, provides community colleges a realistic target for budgeting and scheduling capital projects.

**MARYLAND HIGHER EDUCATION COMMISSION**

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